

IV.D.1. Appeals Coordinated Issue Program

Introduction

The Appeals Coordinated Issue Program (ACI) was established to coordinate cases that have not been **formally** coordinated-one where no coordinated issue paper and no appeals settlement guidelines have been written. An Appeals ACI issue is one that has service-wide impact or importance which requires uniformity and consistency nationwide. The Chief of Appeals determines which issues are coordinated in the ACI program and designates a coordinator for each ACI.

When an appeals officer is assigned to a case in the ACI program, he or she must contact the ACI coordinator prior to scheduling the initial conference. The appeals officer must also inform the taxpayer that the issue is coordinated and that any settlement must be reviewed and concurred (R&C) by the coordinator.

Tax Shelters in ACI

Although there are many ACI issues, we will mention only those dealing with tax shelters.

- Lease in, lease out (LILO)-R&C includes accuracy related penalties.
 - IRC §351 Contingent Liabilities-R&C includes accuracy related penalties.
 - IRC §302/318 Basis Shifting Transactions-R&C includes accuracy related penalties.
 - Corporate Tax Shelters-this includes all shelters except those specifically identified under the Industry Specialization Program (ISP) or ACI. These cases are NOT subject to review and concurrence.
 - Corporate Owned Life Insurance (COLI). COLI is both an ISP and an ACI issue. COLI had been an ISP issue for a long time; however since there was not a coordinated issue paper (and consequently no appeals settlement guidelines) there was no review and concurrence over the issue. Because the Chief of Appeals felt that this issue was quite significant, it was designated as a separate ACI, thereby subject to review and concurrence by the coordinator-R&C does NOT include accuracy related penalties.
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ACI Contacts The following is a list of the names, addresses, and phone numbers of the ACI coordinators that you may contact.

Lease in, Lease Out (LILO)

Luis Arritola
51 SW 1st Avenue, Room 1014 Mail Box
Miami, FL. 33130
(305) 982-5264

IRC §351/ Contingent Liability

Cindy Vassilowitch
105 Court Street, Suite 300
New Haven, CT. 06511
(203) 773-2229

IRC §§ 302/318 Basis Shifting Transactions

Gerry Savard
200 West Adams Street, Suite 600
Chicago, IL. 60606
(312) 886-1010

Corporate Tax Shelters (includes all tax shelters except those specifically identified under ISP or ACI)

Cindy Vassilowitch
105 Court Street, Suite 300
New Haven, CT. 06511
(203) 773-2229

COLI

Neil Regberg
P.O. Box 2026
Cincinnati, OH. 45201
(513) 684-3384
